

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

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In re:	:	
	:	
THE FINANCIAL OVERSIGHT AND	:	PROMESA
MANAGEMENT BOARD FOR PUERTO RICO,	:	Title III
	:	
as representative of	:	Case No. 17-BK-3283 (LTS)
	:	
THE COMMONWEALTH OF PUERTO RICO <i>et al.</i> ,	:	(Jointly Administered)
	:	
Debtors. ¹	:	
	X	
	:	
In re:	:	
	:	
THE FINANCIAL OVERSIGHT AND	:	PROMESA
MANAGEMENT BOARD FOR PUERTO RICO,	:	Title III
	:	
as representative of	:	Case No. 17-BK-3566 (LTS)
	:	
THE EMPLOYEES RETIREMENT SYSTEM OF THE	:	This filing relates only to
GOVERNMENT OF THE COMMONWEALTH OF	:	Case No. 17-BK-3566 (LTS)
PUERTO RICO	:	
	:	
Debtor.	:	
	X	

**STATEMENT OF OFFICIAL COMMITTEE OF UNSECURED CREDITORS IN
SUPPORT OF MOTION OF FINANCIAL OVERSIGHT AND MANAGEMENT BOARD
TO COMPEL ANSWERS TO INTERROGATORIES FROM MOVANTS
RELATING TO STAY RELIEF MOTION**

¹ The Debtors in these Title III cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566 (LTS)) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

To the Honorable United States Magistrate Judge Judith G. Dein:

The Official Committee of Unsecured Creditors of all Title III Debtors (other than COFINA) (the “Committee”) submits this statement in support of the *Urgent Motion of Financial Oversight and Management Board, as Representative of Debtor, to Compel Answers to Interrogatories (and Production of Related Documents) from Movants Relating to the Stay Relief Motion* [Docket No. 403] (the “Motion”) and respectfully states as follows:

1. A central issue in the Stay Relief Motion² is whether and to what extent the Movants’ alleged collateral has suffered a diminution in value as a result of actions taken by ERS during its title III case.³ The Debtors rightfully propounded limited and narrowly-focused interrogatories upon the Movants asking them to state the value of their alleged collateral and to describe the cause of any alleged diminution in its value. The responses that Movants have provided to these interrogatories are woefully deficient. The Movants have provided no collateral valuation information whatsoever and have failed to describe with specificity why the collateral’s value has allegedly decreased.

2. Accordingly, for the reasons discussed in the Motion and the reply in support of the Motion, the Committee agrees with the Oversight Board that the Court should either order the Movants to supplement their interrogatory responses or order that they be precluded from offering at the hearing on the Stay Relief Motion any documents, information, or witness testimony concerning the value of their collateral or the cause of its alleged diminution.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

³ To be clear, as described in the *Omnibus Objection of Official Committee of Unsecured Creditors to Claims Asserted by Holders of Bonds Issued by Employees Retirement System of Government of Puerto Rico* [Case No. 17-3282, Docket No. 5580], the Committee believes that the ERS bonds were issued *ultra vires* and are therefore invalid.

Dated: March 27, 2019

/s/ Luc A. Despins

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- and -

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